

EXHIBIT B

Parties

I am a member of a concerned group of citizens that use our theme, Medical Guardians.

Factual Background

Hill Country Memorial Hospital was formed by concerned citizens to provide acute medical care to area residents. There are no stockholders. The governance was an internally elected board of “Trustees” whose duty was to insure operation of the hospital.

Hill Country Memorial Hospital Foundation was formed to provide a vehicle for collection of donations, endowments, charitable remainder annuities, and other sources of funds for Hill Country Memorial Hospital.

Ms. Jane Pope became the Hospital Administrator. The hospital prior to the sale was profitable.

I am enclosing the following:

- I. Exhibit A – A brief history and issues.
- II. Exhibit B – Excerpts from Create Healthy 2023 990.
 - a. Front page
 - b. Income statement by category
 - c. Statement of compensation of key employees.
 - d. Statement of key contributors.
- III. Exhibit C – Excerpts from HCA (50% owner and 100% operator of hospital in Fredericksburg) after the sale.
- IV. Exhibit D – Chart of Physicians etc. lost after sale and transfer of operations to HCA.
- V. Exhibit E – List of distributions to various organizations.
- VI. List of residuary beneficiaries of Hannelore Schwandt's will and amounts received.
Exhibit F.
- VII. Hannelore's request for use of the funds granted to Hill Country Memorial Hospital.
Exhibit G.

Who was Hannelore Schwindt, and what were her motives in her will.

Hannelore Schwindt's life and attributes.

- I. Childhood in Germany during and at end of World War II.
- II. Came to New York at age 18 to marry U.S. Citizen.
- III. Marriage did not last long and went to work for small company, International Business Machines (IBM).
- IV. Married Mr. Schwindt who was working as a mail clerk in a N.E. US casualty insurance company.
- V. He eventually became chairman of the board of the company, and they insured specialty products and companies all over the world.
- VI. They saved and invested wisely and retired to a summer home on a peninsula on the Atlantic Coast in upper Northeast US, and a winter home/ranch in Cherry Springs, Texas.
- VII. Mr. Schwindt died first leaving his ½ of the estate to Hannelore.
- VIII. Mrs. Schwindt was an avid reader and researcher into:
 - a. World cultures
 - b. Christianity
 - c. U.S. Constitution/Amendments/Freedom
 - d. Healthcare
 - e. Education

- IX. Mrs. Schwindt required serious acute health care several times in her later years and was disappointed and aware that Hill Country Memorial Hospital needed new technology and equipment.
- X. I counseled with her on her Estate plan and her conclusion was the following.
- a. \$2,000,000 (Estate Exclusion) cash to her relatives in Germany.
 - b. After expenses, the remaining assets were $\frac{1}{4}$ each to the following Non-Profit.
 1. Hillsdale College – Nongovernment supported school that concentrated on the constitution, Christianity, and excellent educational accreditation.
 2. Rockford Institute – An institution that researched and published papers on world cultures, trends, and events in relation to the Great U.S. Experiment and success with our Freedom and Governance.
 3. Our local Community College – At that time, the local independent community college was scrambling for funds to build a campus so that kids could stay home, work, and afford college. Her goal was to provide that opportunity which her \$6.25 million bequest provided the bulk of that building construction.
 4. Hill Country Memorial Hospital Foundation – As you can tell in her will, it was very specific that her \$6.25 million gift to into a strict endowment whose income was to go to improvements for Hill Country Memorial Hospital ONLY, not football jerseys, fire departments, day care centers, soccer fields etc.

Conclusion

FACTS:

As you can tell from the hospital 990's prior to the sale, it was not losing money.

HCA is thinly capitalized (little to no equity), has a history of huge profits by cutting unprofitable services even if necessary for a complete acute local hospital to serve the community, has a history of fraudulent billings and collections from the U.S. and local governments, suppressing information to the community, large price increases for services retained, and forcing existing physicians, rank and file hospital staff, other local hospital related personnel into pay cuts, and force providers and staffers to use older, cheaper drugs for treatment.

The cost to administer the "Create Healthy Management" organization (old hospital corporation renamed) is much higher and less professional than Hill Country Community Foundation or the trust department of a community bank both of which would strictly adhere to the wishes of the donor rather than the wishes of a constantly changing group of trustees who are good people but have their own biases, agendas, and have other "day jobs" which require their attention.

Request

I hereby request that you award the "Schwindt Fund" to the following residuary heirs.

- a. The Chronicles (successor to the Rockford Institute) which is continuing the purpose, goals, and agenda of the Rockford Institute.
- b. Hillsdale College if they participate in the fees and cost of this endeavor.

I do not recommend that the local college get any of these funds since they have already sold the buildings and abandoned the original intention of Mrs. Schwindt's bequest.

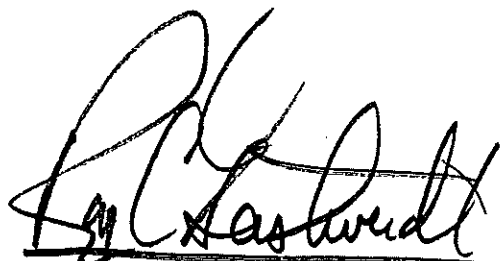
It is extremely disappointing to me and most of the locals that these two institutions abandoned the community's wishes, investment, donations, and work to satisfy fear of the future, fear of the work to survive, and fear of the ingenuity needed to succeed.

Therefore, please grant the foundation's Schwindt Fund to The Chronicles and Hillsdale College (if they join in) which are still serving their purpose and Mrs. Schwindt's wishes.

Addendum

For future reference, please consider that the source of acute medical costs for the working poor, the underinsured, and the non-insured poor which has in large part been provided by non-profit local hospitals will be coming out of over-burdened government funds rather than the "profits" of a local non-profit hospital.

Hill Country Memorial Hospital and the Community College converted their assets to deteriorating purchasing power money rather than honoring their forefathers' thoughts and investment in the future of our community, with local independent acute care facility and a locally controlled independent educational college.


 RAY C GEISTWEIDT
 12/27/24

755 S. WASHINGTON ST.
 FREDERICKSBURG, VA 22404
 office@gfcoopa.com
 8325-347-2655

EXHIBIT A

EXHIBIT A

A Brief History and Issues Associated with the Sale of Hill Country Memorial Hospital

The announcement of Hill Country Memorial Hospital's sale to Methodist/HCA Healthcare on November 14, 2022, sent shockwaves through Fredericksburg, a town known for its quaint charm and award-winning community hospital. Residents, including longtime practitioners like John Westfall and his wife, Marguerite, were bewildered by the decision with John and Marguerite having spent over two decades dedicated to the hospital's values of compassion and excellence. As concerns mounted, a grassroots group, Medical Guardians, formed to scrutinize the sales' motives and potential impact on the community. How could a community asset be sold without the input of the community?

The decision-making process behind the sale raised serious questions about transparency and community involvement. Despite being the largest employer in Gillespie County and providing significant charity care, profitably, the hospital's board opted for the sale without engaging key stakeholders or explaining the rationale adequately. City council members, like Sharon Joseph, voiced their concerns about the lack of information and the need for community representation in the decision-making process.

Efforts to seek clarification, such as a requested town hall meeting in February 2023, were met with resistance. However, the board eventually acquiesced, with the meeting being heavily controlled and leaving little room for genuine community input. As the community grappled with the impending sale and the establishment of a Health Conversion Foundation, parallels were drawn to similar transitions elsewhere, raising doubts about the process and leadership selection. The sale of HCMH represented a significant turning point for Fredericksburg's healthcare landscape, leaving residents with lingering uncertainties about the future of their cherished community hospital.

In response to the sale of Hill Country Memorial Hospital (HCMH) to Methodist/HCA healthcare, community members took action to seek transparency and accountability during this significant transition. Complaints were filed with the Texas Attorney General's (TXAG) Office of Charitable Trust, urging oversight and assistance. Efforts to keep the TXAG office informed about concerns persisted through diligent correspondence and discussions. As part of their efforts, the group sought critical documents such as the HCMH/Create Healthy Management (CHM) Bylaws, Conflict of Interest Policies, and the Asset Purchase Agreement (APA) through Public Information Act (PIA) requests.

Despite HCMH's profitable track record over the last decade and substantial COVID relief funds received, the decision to sell the community asset puzzled everyone. The comparison to the sale of Mission Hospital in North Carolina helped to shed light on the lack of transparency in Fredericksburg's sale process. In North Carolina, public engagement and APA disclosure were extensive, contrasting starkly with the secrecy surrounding HCMH's sale. Concerns persisted over the undisclosed terms of the APA and the board's failure to engage the community discussions.

During the transition period, questions arose about the new leadership and governance structure. Jayne Pope's (the person that orchestrated the sale of HCHM as its CEO) appointment as CEO of CHM, the legacy entity formed post-sale, raised questions about the board's authority and transparency. Requests for governing documents were met with delays and provided outdated information, leaving the community skeptical about the leadership's transparency and accountability. The revelation that the same individuals would oversee both the CHM and Create Healthy Foundation (CHF) boards further fueled concerns about accountability and conflicts of interest. Community members pressed for clarity and proper explanation, but transparency remained elusive, leaving many uncomfortable with the sale's implications and the subsequent governance structure.

The sale of Hill Country Memorial Hospital (HCMH) to Methodist/HCA healthcare raised concerns about the impact on the community and the quality of healthcare. Studies indicate that hospital mergers may not lead to cost savings or improved healthcare quality. Instead, prices tend to rise, potentially affecting accessibility and affordability. Furthermore, regulatory oversight is crucial to safeguard charitable assets and prevent violations such as fraud or mismanagement.

The appointment of directors from CHM to the CHF board, as outlined in CHF fka HCMH Foundation Bylaws, raised questions about accountability and potential conflicts of interest. The history of HCA healthcare, including a record \$1.7 billion fraud settlement in 2003, added to concerns about the sale.

Community members, including former HCMH CEO Michael R. Williams, expressed dissatisfaction with the lack of transparency surrounding the sale and its potential consequences for patients and employees. Williams highlighted the erosion of trust and values within the hospital leadership and called for open dialogue and transparency in shaping the future of healthcare in Fredericksburg and Gillespie County.

EXHIBIT B-a

PUBLIC DISCLOSURE COPY

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2023

Open to Public Inspection

Form 990

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2023 calendar year, or tax year beginning 2023, and ending 2023

B Check if applicable:
☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization CREATE HEALTHY MANAGEMENT

D Employer identification number 74-6083124

E Telephone number (830) 997-1297

F Name and address of principal officer: JAYNE POPE
P.O. BOX 1339, FREDERICKSBURG 78624

G Gross receipts \$ 204,701,382

H (b) Is this a group return for subordinates? ☐ Yes ☒ No
 (b) Are all subordinates included? ☐ Yes ☒ No
 If "No," attach a list. See instructions.

I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: WWW.CREATEHEALTHY.ORG

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation: 1994

M State of legal domicile: TX

Part I Summary

1 Briefly describe the organization's mission or most significant activities: CREATE HEALTHY IS ON A MISSION FOR HEALTH AND WELLNESS IN OUR COMMUNITY; INVESTING IN WELLNESS AND EMPOWERING COMMUNITIES. CH IS (CONTINUED ON SCHEDULE O)

2 Check this box ☒ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3 Number of voting members of the governing body (Part VI, line 1a) 3 7

4 Number of independent voting members of the governing body (Part VI, line 1b) 4 7

5 Total number of individuals employed in calendar year 2023 (Part V, line 2a) 5 851

6 Total number of volunteers (estimate if necessary) 6 34

7a Total unrelated business revenue from Part VIII, column (C), line 12 7a 0

b Net unrelated business taxable income from Form 990-T, Part I, line 11 7b 0

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	7,817,603	161,104
9 Program service revenue (Part VIII, line 2g)	95,161,603	21,940,433
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,617,172	41,719,560
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	(3,484,773)	4,808,875
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	101,131,605	68,429,972
13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	63,105	2,468,600
14 Benefits paid to or for members (Part IX, column (A), line 4)		
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	36,972,787	11,657,567
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b Total fundraising expenses (Part IX, column (D), line 25)	0	0
17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	62,417,181	18,378,037
18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	99,453,073	32,504,204
19 Revenue less expenses. Subtract line 18 from line 12	1,678,532	35,925,768

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	231,936,244	207,017,901
21 Total liabilities (Part X, line 26)	21,861,780	3,638,894
22 Net assets or fund balances. Subtract line 21 from line 20	210,074,464	203,379,007

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign
Here

Signature of officer

Date

JAYNE POPE, CEO

Type or print name and title

Paid
Preparer
Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

JEANETTE VERRELLI

JEANETTE VERRELLI

11/15/2024

P00742631

Firm's name FORVIS MAZARS, LLP

Firm's EIN 44-0160260

Firm's address 14221 DALLAS PARKWAY SUITE 400, DALLAS, TX 75254

Phone no. (972) 702-8262

May the IRS discuss this return with the preparer shown above? See instructions

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

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EXHIBIT B-b

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Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt- function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants, and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d	161,104			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f	1g	\$			
	h	Total. Add lines 1a-1f		161,104			
Program Service Revenue				Business Code			
	2a	NET PATIENT HOSPITAL REVENUE	621110	20,282,137	20,282,137		
	b	HOME HEALTH CARE REVENUE	621610	722,960	722,960		
	c	WELLNESS CENTER SERVICE REVENUE	624100	303,408	303,408		
	d	WIC PROGRAM REVENUE	624100	64,660	64,660		
	e	CLINIC RENT REVENUE	531120	211,930	211,930		
	f	All other program service revenue	624100	355,338	355,338	0	0
	g	Total. Add lines 2a-2f		21,940,433			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		5,096,072			5,096,072
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6a	Gross rents	6a				
	b	Less: rental expenses	6b				
	c	Rental income or (loss)	6c	0	0		
	d	Net rental income or (loss)					
	7a	Gross amount from sales of assets other than inventory	7a	98,056,743	74,748,028		
	b	Less: cost or other basis and sales expenses	7b	97,962,308	38,218,975		
	c	Gain or (loss)	7c	94,435	36,529,053		
	d	Net gain or (loss)		36,623,488			36,623,488
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	8a				
	b	Less: direct expenses	8b				
	c	Net income or (loss) from fundraising events					
	9a	Gross income from gaming activities. See Part IV, line 19	9a				
	b	Less: direct expenses	9b				
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances	10a	440,882			
b	Less: cost of goods sold	10b	90,127				
c	Net income or (loss) from sales of inventory		350,755	350,755			
Miscellaneous Revenue				Business Code			
	11a	MISCELLANEOUS REVENUE	900099	3,801,285	3,785,162		16,123
	b	BAD DEBT RECOVERY	900099	454,590	454,590		
	c	AUXILIARY REVENUE	900099	1,950	1,950		
	d	All other revenue	561000	295	295	0	0
	e	Total. Add lines 11a-11d		4,258,120			
12	Total revenue. See instructions		68,429,972	26,533,185	0	41,735,683	

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Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☒

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	2,418,408	2,418,408		
2	Grants and other assistance to domestic individuals. See Part IV, line 22	50,192	50,192		
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	2,286,661		2,286,661	
6	Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	6,867,624	6,073,032	794,592	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	83,952	83,952		
9	Other employee benefits	1,713,952	1,526,848	187,104	
10	Payroll taxes	705,378	446,400	258,978	
11	Fees for services (nonemployees):				
a	Management				
b	Legal	2,330,083		2,330,083	
c	Accounting	54,715		54,715	
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees				
g	Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Schedule O.)	4,389,161	3,381,247	1,007,914	0
12	Advertising and promotion	259,776	42,982	216,794	
13	Office expenses	1,292,323	948,803	343,520	
14	Information technology	183,968	67,043	116,925	
15	Royalties				
16	Occupancy	1,695,007	1,182,300	512,707	
17	Travel	37,965	20,499	17,466	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	18,928	18,928		
20	Interest	17,515		17,515	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	1,478,872	1,278,718	200,154	
23	Insurance	106,784	48,253	58,531	
24	Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a	MEDICAL SUPPLIES	5,174,703	5,174,703		
b	OTHER EXPENSES	1,232,339	1,151,231	81,108	
c	RECRUITMENT & RECOGNITION	44,900	13,270	31,630	
d	DUES & SUBSCRIPTIONS	41,223	9,208	32,015	
e	All other expenses	19,775	7,858	11,917	0
25	Total functional expenses. Add lines 1 through 24e	32,604,204	23,943,875	8,660,329	0
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Form 990 (2023)

EXHIBIT B-c

2021

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COUNTRY MEMORIAL HOSPITAL
 rs, Directors, Trustees, Key Employees, Highest Compensated Employees, and

JRS

contains a response or note to any line in this Part VII ☒ X

ors, Trustees, Key Employees, and Highest Compensated Employees
 or all persons required to be listed. Report compensation for the calendar year ending with or within the

the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of
 enter -0- in columns (D), (E), and (F) if no compensation was paid.

of the organization's current key employees, if any. See the instructions for definition of "key employee."

the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee)
 received reportable compensation (box 5 of Form W-2, Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than
 \$100,000 from the organization and any related organizations.

List all of the organization's former officers, key employees, and highest compensated employees who received more than
 \$100,000 of reportable compensation from the organization and any related organizations.

List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the
 organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
 See the instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/ 1099-MISC/ 1099-NEC)	(E) Reportable compensation from related organizations (W-2/ 1099-MISC/ 1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual officer or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JAYNE POPE	39.00			X				553,451.	NONE	24,831.
CEO	1.00									
(2) CLINTON KOTAL	15.75				X			414,239.	NONE	45,082.
CHIEF INTEGRATION OFFICER	24.25									
(3) SUSAN NEVES	39.00			X				401,367.	NONE	23,633.
CFO	1.00									
(4) NIKKI RIVERS	40.00				X			283,995.	NONE	NONE
CHIEF CLINICAL OFFICER	NONE									
(5) MAUREEN POLIVKA	40.00				X			273,917.	NONE	8,769.
CNO	NONE									
(6) AMANDA STEVENS	20.00				X			116,719.	116,719.	38,834.
CSO/FDN EXECUTIVE DIRECTOR	20.00									
(7) JAMES PARTIN	40.00				X			238,675.	NONE	NONE
CMO	NONE									
(8) LE ANN MYERS	40.00						X	215,792.	NONE	20,077.
DIRECTOR OF ANCILLARY SERVICES	NONE									
(9) KATELYN VINKLAREK	30.00						X	176,552.	NONE	40,353.
DIRECTOR POST ACUTE SERVICES	10.00									
(10) RITA URBANEK	35.00						X	179,421.	NONE	37,112.
DIRECTOR OF POPULATION HEALTH	5.00									
(11) KEVIN SHANE DICKINSON	25.00						X	174,344.	NONE	28,449.
IT DIRECTOR	15.00									
(12) TIMOTHY BOYD ROBERTS	25.00						X	152,526.	NONE	29,337.
FACILITY DIRECTOR	15.00									
(13) PENNY MCBRIDE	0.85	X			X			NONE	NONE	NONE
CHAIRMAN	1.00									
(14) JENNY WIESER	0.56							NONE	NONE	NONE
VICE CHAIR	1.00	X			X					

Form 990 (2021)

Directors, Trustees, Key Employees, Highest Compensated Employees,
Directors

contains a response or note to any line in this Part VII 62

Directors, Trustees, Key Employees, and Highest Compensated Employees

File for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax

of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's current key employees, if any. See the instructions for definition of "key employee."
 - List the organization's five current highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (box 5 of Form W-2, Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's former officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See the instructions for the order in which to list the persons above.

2022

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JAYNE POPE CEO	39.0 1.0			X				492,927	0	24,606
(2) CLINTON KOTAL CHIEF INTEGRATION OFFICER	15.75 24.25				X			333,673	0	48,946
(3) SUSAN NEVES CFO	39.0 1.0			X				378,955	0	30,715
(4) MAUREEN POUVKA CNO	40.0 0.0				X			279,741	0	20,236
(5) AMANDA STEVENS CHIEF STRATEGY OFFICER	20.0 20.0				X			107,675	107,675	41,309
(6) JAMES PARTIN CMO	40.0 0.0				X			234,103	0	0
(7) LEANN MYERS DIRECTOR OF ANCILLARY SERVICES	40.0 0.0					X		204,250	0	20,327
(8) KEVIN SHANE DICKINSON IT DIRECTOR	25.0 15.0					X		181,027	0	37,914
(9) KATELYN VINKLAREK DIRECTOR POST ACUTE SERVICES	23.0 20.0					X		173,503	0	42,324
(10) CHRISTINE DAMEWOOD NURSING DIRECTOR	40.0 0.0					X		166,597	0	35,796
(11) SHANNA WILLIAMS NURSING DIRECTOR	40.0 0.0					X		166,215	0	0
(12) JENNY WEISER PHD CHAIRMAN	0.65 1.0	X		X				0	0	0
(13) Penny McBride Director	0.56 1.0	X						0	0	0
(14) JOEL JUNKER SECRETARY	0.5 1.0	X		X				0	0	0

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Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's current key employees, if any. See the instructions for definition of "key employee."

- List the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's former officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See the instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JAYNE POPE CEO	37.0 2.8			✓				789,610	0	29,489
(2) CLINTON KOTAL CHIEF INTEGRATION OFFICER	20.8 19.2			✓				417,619	0	20,678
(3) SUSAN NEVES CFO	39.0 1.0			✓				415,975	0	19,892
(4) AMANDA STEVENS CHIEF STRATEGY OFFICER	30.0 10.0			✓				181,856	91,303	33,907
(5) MAUREEN O POLIVKA CNO	40.0 0.0			✓				182,203	0	17,049
(6) CHRIS SEMMLER VP OF FINANCE	38.0 2.0			✓				180,351	0	8,830
(7) JANICE MENKING CONTROLLER	32.0 0.0					✓		148,981	0	12,898
(8) CHRIS SCHOESSOW DIRECTOR, VICE PRESIDENT	0.5 1.0	✓		✓				0	0	0
(9) JENNY WEISER, PHD CHAIRMAN	0.9 1.0	✓		✓				0	0	0
(10) JOEL JUNKER SECRETARY	0.5 1.0	✓		✓				0	0	0
(11) CARLIN FRIAR DIRECTOR	0.5 1.0	✓						0	0	0
(12) DALE CRENWELGE DIRECTOR	0.5 1.0	✓						0	0	0
(13) DAN SECHRIST DIRECTOR	0.5 1.0	✓						0	0	0
(14) DR. KEVIN GALLAGHER DIRECTOR	0.5 1.0	✓						0	0	0

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2023

Schedule J, Compensation Information, states there was a change of control payment (4a) and Schedule J gives the breakdown of these payments. On this return all employees who received retention bonuses (column iii) are reflected. To see the total \$1,287,553 million dollars disbursement see the attached schedule. Amanda Stevens

Schedule J (Form 990) 2023

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Part III Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

Note: The sum of columns (B)(i)-(ii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Compensation from the organization			(C) Retention and other deferred compensation	(D) Nonexcess benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on other Form 990
	(i) Base salary	(ii) Bonus & other compensation	(iii) Other reportable compensation				
JANE POPE 1 CEO	319,610	0	410,000	18,157	11,337	819,098	0
CUNTON KOTAL 2 CHIEF INTEGRATION OFFICER	92,519	0	325,000	12,200	8,378	438,097	0
SUSAN REEVES 3 CFO	96,975	0	325,000	12,200	7,692	435,867	0
AMANDA STEVENS 4 CHIEF STRATEGY OFFICER	135,607	0	46,249	8,309	15,002	205,167	0
WALTER OT POLIVKA 5 CMO	45,054	0	116,125	4,505	6,091	101,889	0
CHRIS SEATLER 6 VP OF FINANCE	65,077	0	0	9,358	7,691	189,253	0
JANICE NIENKING 7 CONTROLLER	150,557	0	0	8,830	0	189,180	0
	108,191	21,561	18,929	5,455	7,203	181,579	0
	0	0	0	0	0	0	0
	0	0	0	0	0	0	0

Employee Retention Bonus



EXHIBIT B-d

2021

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Schedule B (Form 990) (2021)

Name of organization

HILL COUNTRY MEMORIAL HOSPITAL

Employer identification number

74-6083124

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	SAMUEL W. FORDYCE 300 HOT SPRINGS RD. #1223 SANTA BARBARA, CA 93108	\$ 243,334.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	JULIE E. MONTGOMERY 204 W CREEK STREET FREDERICKSBURG, TX 78624	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	BARBARA L. RICHARDSON PO BOX 1369 FREDERICKSBURG, TX 78624	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	VICTORIA A. RUST 611 COURTNEY FREDERICKSBURG, TX 78624	\$ 7,765.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	LINDA G. WHITE PO BOX 759 FREDERICKSBURG, TX 78624	\$ 33,333.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	DON L. AND JULIE HOLDEN FOUNDATION, INC. PO BOX 2161 FREDERICKSBURG, TX 78624	\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Schedule B (Form 990) (2021)

2021

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Schedule B (Form 990) (2021)

Name of organization

HILL COUNTRY MEMORIAL HOSPITAL

Employer identification number

74-6083124

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7	HELMS FOUNDATION, INC. 18201 VON KARMAN AVENUE, SUITE 450 IRVINE, CA 92612	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8	MOODY FOUNDATION 2302 POST OFFICE STREET, SUITE 704 GALVESTON, TX 77550	\$ 13,231.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
9	MORGAN FAMILY FUND 851 BRUNS KOEHNE RD. ROUND MOUNTAIN, TX 78663	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
10	STARK MARTIN CHARITABLE TRUST ONE NORTH CENTRAL AVE, SUITE 1200 PHOENIX, AZ 85004	\$ 18,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
11	STINSON FAMILY FOUNDATION 315 W COLLEGE FREDERICKSBURG, TX 78624	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
12	THE COLEMAN FAMILY FUND 8910 PURDUE RD, STE 500 INDIANAPOLIS, IN 46268	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Schedule B (Form 990) (2021)

2021

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Schedule B (Form 990) (2021)

Name of organization

HILL COUNTRY MEMORIAL HOSPITAL

Employer identification number

74-6083124

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
13	THE J.E. AND L.E. MABEE FOUNDATION, INC. CLAYDESTA CENTER, 6 DESTADRIVE, SUITE 54 MIDLAND, TX 79705	\$ 1,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
14	THE PERRY AND RUBY STEVENS CHARITABLE FO PO BOX 291929 KERRVILLE, TX 78029	\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
15	TEXAS DEPARTMENT OF AGRICULTURE SHIP PRO 1700 N. CONGRESS, 11TH FLOOR AUSTIN, TX 78701	\$ 10,287.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
16	US DEPT OF HEALTH & HUMAN SERVICES 200 INDEPENDENCE AVE SW WASHINGTON, DC 20201	\$ 6,346,331.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
17	HILL COUNTRY MEMORIAL HOSP FOUNDATION P.O. BOX 1339 FREDERICKSBURG, TX 78624	\$ 888,927.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Schedule B (Form 990) (2021)

EXHIBIT C

HCA HEALTHCARE, INC.
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Dollars in millions)

ASSETS	2023	2022
Current assets:		
Cash and cash equivalents	935	908
Accounts receivable	9,958	8,891
Inventories	2,021	2,068
Other	2,013	1,776
	14,927	13,643
Property and equipment, at cost:		
Land	3,120	2,799
Buildings	21,560	20,221
Equipment	31,998	29,981
Construction in progress	1,870	1,756
	58,548	54,757
Accumulated depreciation	(30,833)	(29,182)
	27,715	25,575
Investments of insurance subsidiaries	477	381
Investments in and advances to affiliates	756	823
Goodwill and other intangible assets	9,945	9,653
Right-of-use operating lease assets	2,207	2,065
Other	184	298
	<u>\$ 56,211</u>	<u>\$ 52,438</u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable	\$ 4,233	\$ 4,239
Accrued salaries	2,127	1,712
Other accrued expenses	3,871	3,581
Long-term debt due within one year	2,424	370
	12,655	9,902
Long-term debt, less debt issuance costs and discounts of \$333 and \$301	37,169	37,714
Professional liability risks	1,557	1,528
Right-of-use operating lease obligations	1,903	1,752
Income taxes and other liabilities	1,867	1,615
Stockholders' equity (deficit):		
Common stock \$0.01 par; authorized 1,800,000,000 shares; outstanding 265,537,300 shares — 2023 and 277,378,300 shares — 2022	3	3
Accumulated other comprehensive loss	(425)	(490)
Retained deficit	(1,352)	(2,280)
Stockholders' deficit attributable to HCA Healthcare, Inc.	(1,774)	(2,767)
Noncontrolling interests	2,834	2,694
	1,060	(73)
	<u>\$ 56,211</u>	<u>\$ 52,438</u>

① CURRENT RATIO SLIPPING
② "CONTROLLING" INTERESTS ARE REDEEMING SHARES EACH YEAR TO CONSOLIDATE INCREASE THEIR OWNERSHIP PERCENTAGE.

The accompanying notes are an integral part of the consolidated financial statements.

NEGATIVE CAPITAL

HCA HEALTHCARE, INC.
CONSOLIDATED INCOME STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(Dollars in millions, except per share amounts)

\$ 65 Billion

	2023	2022	2021
Revenues	\$ 64,968	\$ 60,233	\$ 58,752
Salaries and benefits	29,487	27,685	26,779
Supplies	9,902	9,371	9,481
Other operating expenses	12,875	11,155	9,961
Equity in earnings of affiliates	(22)	(45)	(113)
Depreciation and amortization	3,077	2,969	2,853
Interest expense	1,938 ✓	1,741 ✓	1,566 ✓
→ Losses (gains) on sales of facilities	5 ✓	(1,301) ✓	(1,620) ✓
Losses on retirement of debt	—	78	12
	(3) <u>57,262</u>	<u>51,653</u>	<u>48,919</u>
Income before income taxes	7,706	8,580	9,833
Provision for income taxes	1,615	1,746	2,112
Net income	(4) <u>6,091</u>	11.34 <u>6,834</u>	13.14 <u>7,721</u>
Net income attributable to noncontrolling interests	849	1,191	765
Net income attributable to HCA Healthcare, Inc.	<u>\$ 5,242</u>	<u>\$ 5,643</u>	<u>\$ 6,956</u>
Per share data:			
Basic earnings per share	\$ 19.25	\$ 19.43	\$ 21.52
Diluted earnings per share	\$ 18.97	\$ 19.15	\$ 21.16
Shares used in earnings per share calculations (in millions):			
Basic	272.404	290.348	323.315
Diluted	276.412	294.666	328.752

(4) *PROFIT RATIO HIGH BUT SLIPPING*

(3) *EXPENSES \$ 57,262*
 $908 \div 365 \text{ DAYS} = 2.48 \text{ MILLION/DAY}$
 $156.9 \text{ MILLION/DAY SPENT}$

\$ 908 CASH IN BANK
 $\div 156.9 \text{ EXPENSES/DAY}$
 $5.8 \text{ DAYS OPERATING MONEY}$
VERY TIGHT - IF RECEIVABLES
COLLECTIONS SLOW DOWN - THEY WILL HURT.

The accompanying notes are an integral part of the consolidated financial statements.

HCA HEALTHCARE, INC.
CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(Dollars in millions)

CONTINUATION

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Net income	\$ 6,091	\$ 6,834	\$ 7,721
Other comprehensive income (loss) before taxes:			
Foreign currency translation	41	(111)	(9)
Unrealized gains (losses) on available-for-sale securities	11	(55)	(16)
Losses (gains) included in other operating expenses	<u>(1)</u>	<u>1</u>	<u>—</u>
	10	(54)	(16)
Defined benefit plans	27	49	87
Pension costs included in salaries and benefits	<u>3</u>	<u>9</u>	<u>28</u>
	30	58	115
Change in fair value of derivative financial instruments	—	6	1
Interest costs included in interest expense	<u>—</u>	<u>2</u>	<u>37</u>
	—	8	38
Other comprehensive income (loss) before taxes	81	(99)	128
Income taxes (benefits) related to other comprehensive income items	<u>16</u>	<u>(13)</u>	<u>30</u>
Other comprehensive income (loss)	65	(86)	98
Comprehensive income	6,156	6,748	7,819
Comprehensive income attributable to noncontrolling interests	849	1,191	765
Comprehensive income attributable to HCA Healthcare, Inc.	<u>\$ 5,307</u>	<u>\$ 5,557</u>	<u>\$ 7,054</u>

*OTHER INCOME
STATEMENT INFORMATION*

The accompanying notes are an integral part of the consolidated financial statements.

HCA HEALTHCARE, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(Dollars in millions, except per share amounts)

	Equity (Deficit) Attributable to HCA Healthcare, Inc.						
	Common Stock		Capital In	Accumulated		Equity	
	Shares	Par	Excess	Other	Retained	Attributable to	Total
	(in millions)	Value	of Par	Comprehensive	Earnings	Noncontrolling	
			Value	Loss	(Deficit)	Interests	
Balances, December 31, 2020.....	339.426	\$ 3	\$ 294	\$ (502)	\$ 777	\$ 2,320	\$ 2,892
Comprehensive income				98	6,956	765	7,819
Repurchase of common stock ...	(37.812)		(578)		(7,637)		(8,215)
Share-based benefit plans	3.863		280				280
Cash dividends declared							
(\$1.92 per share)					(628)		(628)
Distributions						(749)	(749)
Other			4			86	90
Balances, December 31, 2021.....	305.477	3	—	(404)	(532)	2,422	1,489
Comprehensive income (loss)...				(86)	5,643	1,191	6,748
Repurchase of common stock ...	(30.747)		(264)		(6,736)		(7,000)
Share-based benefit plans	2.648		282				282
Cash dividends declared							
(\$2.24 per share)					(655)		(655)
Distributions						(1,025)	(1,025)
Other			(18)			106	88
Balances, December 31, 2022.....	277.378	3	—	(490)	(2,280)	2,694	(73)
Comprehensive income				65	5,242	849	6,156
Repurchase of common stock ...	(14.465)		(186)		(3,656)		(3,842)
Share-based benefit plans	2.624		172				172
Cash dividends declared							
(\$2.40 per share)					(658)		(658)
Distributions						(640)	(640)
Other			14			(69)	(55)
Balances, December 31, 2023.....	265.537	\$ 3	\$ —	\$ (425)	\$ (1,352)	\$ 2,834	\$ 1,060

The accompanying notes are an integral part of the consolidated financial statements.

HCA HEALTHCARE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(Dollars in millions)

	2023	2022	2021
Cash flows from operating activities:			
Net income	✓ \$ 6,091	\$ 6,834	✓ \$ 7,721
Adjustments to reconcile net income to net cash provided by operating activities:			
Increase (decrease) in cash from operating assets and liabilities:			
Accounts receivable.....	(935)	(797)	(962)
Inventories and other assets.....	(126)	(59)	(540)
Accounts payable and accrued expenses.....	604	(296)	999
Depreciation and amortization..... <i>NON-CASH EXPENSE ①</i>	✓ 3,077	① 2,969	① 2,853
Income taxes.....	229	571	(70)
Losses (gains) on sales of facilities.....	5	(1,301)	(1,620)
Losses on retirement of debt.....	—	78	12
Amortization of debt issuance costs and discounts.....	35	29	27
Share-based compensation.....	✓ 262	341	440
Other	189	153	99
Net cash provided by operating activities	9,431	8,522	8,959
Cash flows from investing activities:			
Purchase of property and equipment..... ①	✓ (4,744)	① (4,395)	① (3,577)
Acquisition of hospitals and health care entities	(635)	(224)	(1,105)
Sales of hospitals and health care entities	193	1,237	2,160
Change in investments.....	(112)	14	(117)
Other.....	(19)	(21)	(4)
Net cash used in investing activities	(5,317)	(3,389)	(2,643)
Cash flows from financing activities:			
Issuances of long-term debt..... <i>BORROWING MONEY ②</i>	3,224	② 5,997	② 4,344
Net change in revolving credit facilities.....	(1,020)	120	2,780
Repayment of long-term debt..... <i>PAYMENT OF DEBT ②</i>	(909)	② (2,830)	② (3,869)
Distributions to noncontrolling interests	(640)	(1,025)	(749)
Payment of debt issuance costs	(31)	(53)	(38)
Payment of dividends	(661)	(653)	(624)
Repurchase of common stock.....	(3,811)	(7,000)	(8,215)
Other.....	(246)	(212)	(284)
Net cash used in financing activities	(4,094)	(5,656)	(6,655)
Effect of exchange rate changes on cash and cash equivalents	7	(20)	(3)
Change in cash and cash equivalents	27	(543)	(342)
Cash and cash equivalents at beginning of period	908	1,451	1,793
Cash and cash equivalents at end of period	\$ 935	\$ 908	\$ 1,451
Interest payments	\$ 1,892	\$ 1,662	\$ 1,502
Income tax payments, net	\$ 1,386	\$ 1,175	\$ 2,182

- ① *Most of purchases cash is a non-cash expense, ~~not~~ cash generated.*
② *Borrowing more than they are paying back*
The accompanying notes are an integral part of the consolidated financial statements.

HCA HEALTHCARE, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 7 — ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (continued)

	Fair Value	2022		
		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities	\$ 377	\$ —	\$ 377	\$ —
Money market funds and other	96	96	—	—
Investments of insurance subsidiaries	473	96	377	—
Less amounts classified as current assets	(92)	(92)	—	—
	<u>\$ 381</u>	<u>\$ 4</u>	<u>\$ 377</u>	<u>\$ —</u>

The estimated fair value of our long-term debt was \$38.253 billion and \$35.555 billion at December 31, 2023 and 2022, respectively, compared to carrying amounts, gross of debt issuance costs and discounts, aggregating \$39.926 billion and \$38.385 billion, respectively. The estimates of fair value are generally based on Level 2 inputs, including quoted market prices or quoted market prices for similar issues of long-term debt with the same maturities.

NOTE 8 — LONG-TERM DEBT

A summary of long-term debt at December 31, including related interest rates at December 31, 2023, follows (dollars in millions):

	2023	2022
Senior secured asset-based revolving credit facility (effective interest rate of 6.7%)	\$ 1,880	\$ 2,900
Senior secured revolving credit facility	—	—
Senior secured term loan facilities (effective interest rate of 6.8%)	1,313	1,880
Other senior secured debt (effective interest rate of 4.1%)	967	953
Senior secured debt	4,160	5,733
Senior unsecured notes (effective interest rate of 5.0%)	35,766	32,652
Debt issuance costs and discounts	(333)	(301)
Total debt (average life of 9.4 years, rates averaging 5.1%)	39,593	38,084
Less amounts due within one year	2,424	370
	<u>\$ 37,169</u>	<u>\$ 37,714</u>

During 2023, the availability under our senior secured revolving credit facility was increased by \$1.500 billion to total \$3.500 billion, the senior secured term loan B facility was fully retired and certain administrative updates were made to our credit agreements. We also issued \$3.250 billion aggregate principal amount of senior notes comprised of (i) \$1.000 billion aggregate principal amount of 5.200% senior notes due 2028, (ii) \$1.250 billion aggregate principal amount of 5.500% senior notes due 2033 and (iii) \$1.000 billion aggregate principal amount of 5.900% senior notes due 2053. We used the net proceeds to repay borrowings under our asset-based revolving credit facility.

Senior Secured Credit Facilities And Other Senior Secured Debt

We have entered into the following senior secured credit facilities: (i) a \$4.500 billion asset-based revolving credit facility maturing on June 30, 2026 with a borrowing base of 85% of eligible accounts receivable, subject to customary reserves and eligibility criteria (\$1.880 billion outstanding at December 31, 2023) (the "ABL credit facility"); (ii) a \$3.500 billion senior secured revolving credit facility maturing on June 30, 2026 (none outstanding at December 31, 2023 without giving effect to certain outstanding letters of credit); and (iii) a \$1.313 billion senior secured term loan facility maturing on June 30, 2026. We refer to the facilities described under (ii) and (iii) above, collectively, as the "cash flow credit facility" and, together with the ABL credit facility, the "senior secured credit facilities." Finance leases and other secured debt totaled \$967 million at December 31, 2023.

HCA HEALTHCARE, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 8 — LONG-TERM DEBT (continued)

Borrowings under the senior secured credit facilities bear interest at a rate equal to, at our option, either (a) a base rate determined by reference to the higher of (1) the federal funds rate plus 0.50% or (2) the prime rate of Bank of America or (b) a reference rate (the Secured Overnight Financing Rate (SOFR)) for the relevant interest period, plus, in each case, an applicable margin. The applicable margin for borrowings under the senior secured credit facilities may be reduced subject to attaining certain leverage ratios.

The senior secured credit facilities contain a number of covenants that restrict, subject to certain exceptions, our (and some or all of our subsidiaries') ability to incur additional indebtedness, repay subordinated indebtedness, create liens on assets, sell assets, make investments, loans or advances, engage in certain transactions with affiliates, pay dividends and distributions, and enter into sale and leaseback transactions. In addition, we are required to satisfy and maintain a maximum total leverage ratio covenant under the cash flow credit facility and, in certain situations under the ABL credit facility, a minimum interest coverage ratio covenant.

Senior Unsecured Notes — THERE ARE LOAN COVENANTS ON THIS DEBT.

Senior unsecured notes consist of (i) \$35.041 billion aggregate principal amount of senior notes with maturities ranging from 2024 to 2053; (ii) an aggregate principal amount of \$125 million medium-term notes maturing 2025; and (iii) an aggregate principal amount of \$600 million debentures with maturities ranging from 2024 to 2095.


General Debt Information

The senior secured credit facilities are fully and unconditionally guaranteed by substantially all existing and future, direct and indirect, 100% owned material domestic subsidiaries that are "Unrestricted Subsidiaries" under our Indenture (the "1993 Indenture") dated December 16, 1993 (except for certain special purpose subsidiaries that only guarantee and pledge their assets under our ABL credit facility).

All obligations under the ABL credit facility, and the guarantees of those obligations, are secured, subject to permitted liens and other exceptions, by a first-priority lien on substantially all of the receivables of the borrowers and each guarantor under such ABL credit facility (the "Receivables Collateral").

All obligations under the cash flow credit facility and the guarantees of such obligations are secured, subject to permitted liens and other exceptions, by:

- a first-priority lien on the capital stock owned by HCA Inc., or by any guarantor, in each of their respective first-tier subsidiaries;
- a first-priority lien on substantially all present and future assets of HCA Inc. and of each guarantor other than (i) "Principal Properties" (as defined in the 1993 Indenture), (ii) certain other real properties and (iii) deposit accounts, other bank or securities accounts, cash, leaseholds, motor-vehicles and certain other exceptions; and
- a second-priority lien on certain of the Receivables Collateral.

 Maturities of long-term debt in years 2025 through 2028 are \$4.672 billion, \$5.350 billion, \$2.408 billion and \$2.545 billion, respectively.

NOTE 9 — LEASES

We lease property and equipment under finance and operating leases. For leases with terms greater than 12 months, we record the related assets and obligations at the present value of lease payments over the term. Many of our leases include rental escalation clauses and renewal options that are factored into our determination of lease payments, when appropriate. We do not separate lease and nonlease components of contracts. Generally, we use our estimated incremental borrowing rate to discount the lease payments, as most of our leases do not provide a readily determinable implicit interest rate.

EXHIBIT D

Medical Services Update – Dr. Robert Murray – December 1, 2024

Fredericksburg.....We are in trouble regarding medical services

It has been two years since the people of our county were told about the secret sale of our independent community hospital (Medicare 5-star rated) to a for-profit corporation Methodist Healthcare San Antonio (2-star rated) and Hospital Corporation of America(HCA) based in Tennessee. One of the many concerns townspeople have expressed with the sale is the inherent struggle between profits (or what's best for stock price) and patients (or what services are best for our community). We were told by a small group of people that our hospital had to be sold because it would be too difficult to make it as an independent hospital. Please, someone alert Sid Peterson! We were warned before the sale that when independent rural hospitals are taken over by a larger health system, they experienced a significant reduction in **onsite diagnostic imaging**, a reduction in **OB**, and **primary care**, and a reduction in **outpatient nonemergency visits**. These were the RAND Corporation findings based on 10 years worth of data and sadly, their findings have come to pass in Fredericksburg.

OB: We have gone from two obstetricians to one, and she only takes call on Mondays and has started delivering OB services in Austin. That does not bode well for the struggle to continue OB services locally.

Primary Care: Our family physician of many decades, Dr Nancy Thompson, was told by HCA that she could no longer practice in Fredericksburg at the physician group employed by HCA and my family, along with her 1,500 other patients had to find another doctor. I have the utmost confidence in Nancy and have witnessed world class care afforded to her patients. Dr Thompson's exit has resulted in a huge loss to our community. Not only was she board certified in internal medicine but pediatrics as well. Our family now sees Dr Pam Cantu, who previously practiced at Hill Country Hospital with Dr Thompson, but when HCA/Methodist presented her with a contract that was not compatible with her practice standards, she left and now works with a Sid Peterson physician group. Thanks Pam for sticking to your values for your patients.

General Surgeons: We used to have three general surgeons for many decades and now we have two practicing surgeons.

Breast Cancer Team/Equipment: Prior to the hospital sale we had a very busy breast cancer program with the commitment to help expedite the time from when a woman experiences an abnormal mammogram all the way to biopsy and surgery. The goal being to have a resolution/ diagnosis in a few days or a week. All women diagnosed with cancer were routinely presented at a monthly breast conference attended by surgeons, radiologists, oncologists, radiation oncologists, nurses, technologists and therapists. The entire breast care team met locally in Fredericksburg. We started this in the 1990's and it was truly an awesome tool and opportunity for healthcare professionals to focus on one patient at a time, deciding what's best for her. Since the sale of the hospital, the breast conference has been cancelled, and there has been a very significant decrease in breast cancer patients being evaluated in Fredericksburg. Hospital support for breast care is clearly waning. Not only has there been a loss of the breast conference, but the stereotactic biopsy machine, donated by the community, is no longer maintained so women have to go elsewhere for some of their biopsies.

Onsite Diagnostic Imaging: For 28 years our hospital was covered by two radiologists who were present at the hospital and available for consults and procedures. Now, only one radiologist shows up daily from San Antonio.

In addition to the stereotactic biopsy machine, the hospital's DEXA machine (used to diagnose osteoporosis) is also no longer maintained. The current hospital CT is over ten years old and if it is being used for special procedures, it is not immediately available to emergency department patients. The next closest CT is in Kerrville, 24 miles away. Currently, the waiting time for radiology services including MRI have been reported to be weeks and many patients have left and decided to go elsewhere for more timely and sometimes less expensive care.

Other physician services have experienced a diminished community presence including urology, ENT, and ophthalmology to name a few.

Outpatient Surgeons leaving hospital: A new independent out-patient surgery center is opening soon just around the corner from the hospital. The center will be welcomed by the community as a state of the art facility for out-patient care and physician owners decided to not partner with the hospital. Why?

Other Healthcare Services: Our community has also lost support for palliative care, hospice care, and until recently the sleep lab. We used to have two board certified hospice and palliative care physicians and now have only one.

Cardiac Cath Lab: To the hospital's credit, there has been an upgrade to the cardiac cath lab used for more routine and less complicated coronary artery procedures that do not require cardiac surgery backup.

I wonder if the small group that sold our hospital ever imagined such obvious and likely negative consequences of their actions? After all, the idea was to increase the depth and scope of services, not decrease them! So now as a community we are left with the situation where healthcare services are shrinking, doctors are not only avoiding our town but leaving it for other practice opportunities, and even local doctors are avoiding the hospital and will be moving many surgeries to the new outpatient surgery center. Noticeably, important local medical decisions are being increasingly made at the corporate level in Nashville, Tennessee with a definite for-profit bias.

As it stands, the small group who neglected to obtain input from the community before selling our community hospital to HCA/Methodist are the same ones tasked with making sure the hospital lives up to secret commitments HCA/Methodist made (Asset Purchase Agreement) in order to buy the hospital - a clear conflict of interest. After two years, where is the oversight report and how is HCA/Methodist doing regarding their promises to our community. The North Carolina Attorney General is suing HCA for failing to honor the agreements outlined in their Asset Purchase Agreement, which was not secret. The process makes one wonder if the Hill Country Memorial Hospital Board ever contacted Mission Hospital and its doctors in North Carolina as part of their due diligence in vetting our new healthcare partner, HCA/Methodist.

The question remains, how much longer will this downward slide go until HCA/Methodist finds that the situation is too difficult to make a profit and decides to close or sell the hospital? After all HCA is traded on the New York Stock Exchange and they have share holders (not patients) to satisfy.

Ernest Hemingway in the book, *The Sun Also Rises*, describes two ways to go bankrupt: "gradually, then suddenly". Let's pray that our local hospital challenges will be gradual enough for our community to do something about it.

EXHIBIT E

Spending – Grants & Donations

Create Healthy Management Pres & CEO VP & Strategic Philanthropy VP for Finance Director, Community Engagement Board of Directors		280 W Windcrest St, Fredericksburg, TX 78624 Jayne Pope, RN, MBA, FACHE Amanda M Stevens, MBA, FAHP, CFRE Chrs Semmler John Phelps Jenny Weiser Chrs Schoessow Joel Junker Dan Sechnst Carlin Fiar Todd Wilingham John Ramsay, MD John Hutcherson, PhD	830-997-1297 https://www.createhealthy.org/ 830-997-9807 - john.phelps@createhealthy.org
Chair Vice Chair Secretary		Attorney - Bryla and Schoessow Partner - Cameron Brooks Owner - Sechnst & Associates President - The Bank and Trust President - Bierschwale-Reps Insurance Agency Family Practice Physician Cornerstone Clinic Retired Financial Advisor	
Investment Council:		Jody Donovan, Kyle Frey, Brad Hardin, John Hutcherson	
Impact Council:		Dr. Andrea Bray, Wanda Orta Detmar, Allen Ersch, Dan Kemp, Zuleima Hernandez, Dr. John Ramsay	
Sep 2024: Notice: CH has spent \$3,437,417 in 9 months (Nov 8, 2023 to Aug 1, 2024) = \$4,503,222/Year Notice: Since report on Aug 23, 2024 - they report \$284K additional spending - at that rate an additional \$1,136M will be spent= \$4,573,417 for 2024			
Oct 2024: Notice: By far, the largest contributions have been made to the Bollinny Lutheran Church Preschool - Jody Donovan is on the CH Investment Council & Campaign Chair for the Preschool project Notice: \$10K still unaccounted for in the totals for Mental Health contributions			
Dec 3rd 2024: The total shown on the Website leaves off the Community Donations done earlier in 2024!! It shows \$2,225,000 instead of \$4,475,000 Also, \$25K was publicly expressed as donated for matching funds for the Police fundraiser that already took place, but is not shown in the totals on the website.			
Create Healthy Website		18-Sep-24	30-Oct-24
Community		\$2,225,000	\$4,475,000
Sponsorships		\$79,700	\$79,700
Scholarships		\$320,300	\$320,300
Grants		\$812,417	\$1,049,741
Total so far		\$3,437,417	\$5,964,741
			Change since September:
			\$2,250,000
			\$0
			\$0
			\$277,324
			\$2,527,324
Community Donations:		https://www.createhealthy.org/sponsorships-support/ https://www.createhealthy.org/sponsorships-support/#scholarships	
24-Jan-24		\$250,000	Fuel to the Fire Matching Donation Campaign Match up to \$25,000 in donations, from October 1 through December 31, 2023 for selected Hill Country Non-profit organizations
3-Nov-23		\$500,000	Bethany Lutheran Church - https://www.createhealthy.org/2023/11/03/press-release-create-healthy-invests-in-early-childhood-education/ New Preschool Facility (\$6.3M not including donated land) https://www.fredericksburgstandard.com/2024/01/24/bethany-announces-finances-new-preschool-facility/
6-Nov-23		\$500,000	Little Hearts Child Development Center - located on the property of the Hill Country Needs Council https://www.littleheartsfbg.org/ Licensed and Trauma-Informed caregivers will be able to care for up to 74 children from low income families - https://www.createhealthy.org/2023/11/05/press-release-create-healthy-donates-to-capital-campaign-to-build-new-early-childhood-development-center/
24-Jan-24		\$75,000	The Texas Wine Auction Wellness Uncorked Program https://www.texaswineauction.com/ cost-free health assessments targeting hospitality personnel, along with a 6-month membership to the Stevens Wellness Center
24-Jan-24		\$900,000	Hill Country United Soccer Fredericksburg Friends of the Fields ready for use by Fall 2024. The new complex will include 13 soccer fields, a playground, a concession stand, restrooms, and a covered pavilion.
October 2024		\$1,500,000	Bethany Lutheran Church Preschool - Building - Jody Donovan Now expected to cost \$7M, CHM has donated \$2M out of \$5.25M donated to
October 2024		\$750,000	Little Hearts Child Development Center - Laurie Jentschke first year salaries, including director's salaries
Total Comm Donations:		\$4,475,000	
Event Sponsorships		https://www.createhealthy.org/sponsorships-support/#event-sponsorships	
		\$17,000	FISD - Billie Boosters - https://www.billieboosters.com/
		\$15,000	FISD Back to School Initiative (is this the Fburg Education Foundation)
		\$15,000	Boys & Girls Club of Fredericksburg - https://www.bgcfbg.org/
		\$10,000	The Grace Center - https://thegracecenterfbg.org/
		\$20,000	Hill Country Community Needs Council - https://needscouncil.org/
		\$1,500	Junior Golf Foundation of Fredericksburg https://www.fbjuniorgolf.com/
		\$1,200	Harper Community Park Association - https://www.harpercomm.org/
Total Sponsorships:		\$79,700	Junior Bull Riding Event at the 59th Annual Frontier Days Rodeo.
Scholarships:		Council: Erh Carter, Lester Franzen, Barbara Hinen, Sheryl Jacks, Karen Oestrech https://www.createhealthy.org/sponsorships-support/#scholarships	
24-Jan-24		\$50,000	Gillespie County Fair & Festivals Asso Scholarship Fund
24-Jan-24		\$50,000	Hill Country University Center - Central TX College & Texas Tech Financial assistance for CTC & Texas Tech classes at HCUO https://www.createhealthy.org/2024/05/28/create-healthy-announces-further-investments-in-hill-country-students/
28-May-24		\$86,200	FHS Academic Boosters
28-May-24		\$16,000	Fburg Noon Rotary
28-May-24		\$16,300	Harper PTO
28-May-24		\$16,500	Mason ISD Scholarship Foundation
28-May-24		\$17,100	Johnson City Community Education Foundation
28-May-24		\$37,200	Llano ISD Educational Foundation
28-May-24		\$27,000	Comfort Pass It On Scholarship Fund
Total Scholarships:		\$320,300	
Grants:		Council: Laura Cook (Chair), Jon Crenwelke, Tracy Robledo, Bonnie Stewart Which area of our community health needs are you impacting?	
<input type="checkbox"/> Mental Health(MH) <input type="checkbox"/> Childcare/Development(CD) <input type="checkbox"/> Healthy Living(HL) <input type="checkbox"/> Health Education(HE)		Service area/County impacted by this project/program. (Select all that apply) <input type="checkbox"/> Gillespie <input type="checkbox"/> Blanco <input type="checkbox"/> Llano <input type="checkbox"/> Mason <input type="checkbox"/> Comfort	
Round 1:		https://www.createhealthy.org/2024/05/23/create-healthy-announces-first-round-of-grant-funding-for-local-organizations-supporting-health-and-wellness/	
Round 2:		https://www.createhealthy.org/2024/07/19/create-healthy-announces-five-new-grants/	
14-May-24		MH	\$45,000 Good Samaritan Center
10-Jun-24		MH	\$11,801 NAMI TX - Mental Illness
10-Jun-24		MH	\$150,000 TX Wine Auction - "Wellness Uncorked Program"
1-Aug-24		MH	\$64,000 Caritas Family Assistance Network
1-Aug-24		MH	\$80,000 Grace Center
October 2024		MH	\$5,000
SubTotal:		MH	\$375,801
10-Jun-24		CD	\$90,000 Little Hearts Child Development Center - families in trauma
1-Aug-24		CD	\$100,000 Bethany Lutheran Church Preschool
October 2024		CD	\$129,324 First United Methodist Church Mason
October 2024		CD	\$33,000 Hill Country Community Needs Program
October 2024		CD	\$50,000 Boys and Girls Clubs of the Texas Hill Country
SubTotal:		CD	\$402,324
13-May-24		HL	\$55,000 FISD
14-May-24		HL	\$45,000 Good Samaritan Center
14-May-24		HL	\$26,618 FISD - Education Fund
10-Jun-24		HL	\$30,000 Boys & Girls Club of Highland Lakes
11-Jun-24		HL	\$75,000 St. Mary's Catholic School
1-Aug-24		HL	\$20,000 Comfort Golden Age Center Foundation
October 2024		CD	\$50,000 San Antonio Food Bank
October 2024		CD	\$10,000 Texas Ramp Project
SubTotal:		HL	\$311,618
Total Grants:			\$1,049,741
Total All:			\$5,964,741
			Note Create healthy Website shows a total of \$1,079,741

EXHIBIT F

Form 706 (Rev. 8-2009)

EXHIBIT F**Estate of: HANNELORE V. SCHWINDT**Decedent's Social Security Number
075-32-8537**SCHEDULE O - Charitable, Public, and Similar Gifts and Bequests**

		Yes	No
1a If the transfer was made by will, has any action been instituted to have interpreted or to contest the will or any of its provisions affecting the charitable deductions claimed in this schedule? If "Yes," full details must be submitted with this schedule.			
			X
b According to the information and belief of the person or persons filing this return, is any such action planned? If "Yes," full details must be submitted with this schedule.			
			X
2 Did any property pass to charity as the result of a qualified disclaimer? If "Yes," attach a copy of the written disclaimer required by section 2518(b).			
			X
Item number	Name and address of beneficiary	Character of institution	Amount
1	HILL COUNTRY MEMORIAL HOSPITAL FOUNDATION, INC FREDERICKSBURG, TX 78624		6,505,253.
2	TEXAS HILL COUNTRY UNIVERSITY CENTER FOUNDATION FREDERICKSBURG, TX 78624		6,505,253.
3	ROCK FORD INSTITUTE 928 NORTH MAIN ROCKFORD, ILLINOIS 61103		6,505,253.
4	HILLSDALE COLLEGE HILLSDALE, MICHIGAN 49242		6,505,253.

EXHIBIT G

CJB/cyh/Will

EXHIBIT G

✓ (a) One (1) share to the HILL COUNTRY MEMORIAL HOSPITAL FOUNDATION, INC. of Fredericksburg, Texas with the corpus of this devise to be held, maintained and administered as a perpetual fund and the income generated therefrom to be used exclusively for expenditures of a capital nature benefiting HILL COUNTRY MEMORIAL HOSPITAL or for the purchase of equipment of the hospital but shall not be expended for operating purposes.

(b) One (1) share to the TEXAS HILL COUNTRY UNIVERSITY CENTER FOUNDATION of Fredericksburg, Texas.

(c) One (1) share to the ROCKFORD INSTITUTE, 928 North Main, Rockford, Illinois 61103

(d) One (1) share to the HILLSDALE COLLEGE, Hillsdale, Michigan, 49242.

3.2 Tax Exempt Charities. If any recipient of a bequest under paragraph 3.1 of my Will is not an organization which may receive testamentary gifts which are deductible for federal estate tax purposes under Section 2055 of the Internal Revenue Code of 1986, as amended or under corresponding provisions of subsequently enacted federal estate tax laws, the bequest to that organization shall lapse. I give, devise and bequeath to those beneficiaries under paragraph 3.1 that are bequeathed a portion of my residual estate and which are organizations which may receive testamentary gifts which are deductible for federal estate tax purposes under Section 2055 of the Internal Revenue Code of 1986, as amended or under corresponding provisions of subsequently enacted federal estate tax laws, any bequest which has lapsed because the designated organization is not a qualifying tax exempt organization as defined above. This

H.V.S.

H. S.